

**Senate File 2166 - Introduced**

SENATE FILE 2166

BY KRAAYENBRINK

**A BILL FOR**

1 An Act concerning compensation and benefits limits, relating to  
2 the earnings limitation for retirees under the Iowa public  
3 employees' retirement system and compensation limits for  
4 school corporation board members.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 97B.48A, subsection 1, paragraph a, Code  
2 2022, is amended to read as follows:

3 a. If a member who has not reached the member's sixty-fifth  
4 birthday and who has a bona fide retirement under **this chapter**  
5 is in regular full-time employment during a calendar year,  
6 the member's retirement allowance shall be reduced by fifty  
7 cents for each dollar the member earns over the limit provided  
8 in **this subsection**. However, employment is not full-time  
9 employment until the member receives remuneration in an amount  
10 in excess of ~~thirty~~ fifty thousand dollars for a calendar year,  
11 or an amount equal to the amount of remuneration permitted  
12 for a calendar year for persons under sixty-five years of  
13 age before a reduction in federal social security retirement  
14 benefits is required, whichever is higher. Effective the first  
15 of the month in which a member attains the age of sixty-five  
16 years, a retired member may receive a retirement allowance  
17 without a reduction after return to covered employment  
18 regardless of the amount of remuneration received.

19 Sec. 2. Section 279.7A, subsection 2, Code 2022, is amended  
20 to read as follows:

21 2. **This section** does not apply to contracts for the  
22 purchase of goods or services which benefit a director, or  
23 to compensation for part-time or temporary employment which  
24 benefits a director, if the benefit to the director does not  
25 exceed ~~six~~ twenty thousand dollars in a fiscal year, and  
26 contracts made by a school board, upon competitive bid in  
27 writing, publicly invited and opened.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with  
30 the explanation's substance by the members of the general assembly.

31 This bill modifies the earnings limitation for retirees  
32 under the Iowa public employees' retirement system (IPERS) and  
33 the limitation on compensation and benefits for a member of a  
34 school board.

35 Code section 97B.48A provides that a retiree under IPERS who

1 has not reached age 65 shall have their retirement allowance  
2 reduced by 50 cents for every dollar the retiree earns over  
3 \$30,000 in full-time employment covered by IPERS. The bill  
4 raises this earnings limitation provision to \$50,000.

5 Code section 279.7A, concerning limitations on contracts  
6 that benefit a member of the board of directors of a school  
7 corporation, is amended to allow a contract if the benefit from  
8 the contract to the director does not exceed \$20,000 instead of  
9 \$6,00.